

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



**CORRECTED
FISCAL NOTE**

HB 607 – SB 896

March 18, 2011

SUMMARY OF BILL: Exempts licensed locksmiths who have been in good standing for 10 years from continuing education requirements. Requires applicants for renewal of a locksmith license to submit to a criminal background check. Requires a renewal fee of not less than \$200.

ESTIMATED FISCAL IMPACT:

On February 24, 2011, a fiscal note was issued estimating a fiscal impact as follows:

Increase State Revenue - \$5,000/One-Time/Locksmith Licensing Program

Increase State Expenditures - \$5,000/One-Time/Locksmith Licensing Program

Due to corrected information submitted by the Department of Commerce and Insurance, this impact was in error. Based upon further review, the estimated impact is:

(CORRECTED)

**Increase State Revenue – \$5,000/One-Time/Locksmith Licensing Program
\$20,000/Recurring/Locksmith Licensing Program**

Increase State Expenditures - \$5,000/One-Time/Locksmith Licensing Program

Assumptions:

- According to the Department of Commerce and Insurance, Locksmith Licensing Program, licensing fees will be increased from \$175 to \$200. There are currently 304 licensed locksmith companies and 496 licensed locksmiths.
- The recurring increase to state revenue will be \$7,600 (304 companies x \$25 fee increase) for locksmith companies and \$12,400 (496 locksmiths x \$25 fee increase) for locksmiths.
- According to the Department of Commerce and Insurance, a rule-making hearing will result in a one-time increase in state expenditures of \$5,000. Fees will be increased to cover the one-time costs resulting in an increase in state revenue of \$5,000. All costs associated with the criminal background check will be paid by the applicant as part of the application process.

- Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory programs are required to be self-supporting over a two-year period. The program had a deficit of \$31,434 in FY08-09. As of June 30, 2010, the program had a closing balance of \$19,540, and a negative reserve balance of \$11,894.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/sbh